



OFFICE OF THE ATTORNEY GENERAL OF TEXAS
AUSTIN

GERALD C. MANN
ATTORNEY GENERAL

Hon. Bert Ford, Administrator
Texas Liquor Control Board
Austin, Texas

Dear Sir:

Opinion No. 0-2074
Re: Article 666-17, Vernon's Texas
Annotated Penal Code - Wine
Bottling Corporations - Stock -
Holders of Package Store Permits.

Your request for opinion has been received and carefully considered by this department. We quote from your letter of request as follows:

"The holder of a wine bottler's permit in Texas operating under corporate charter obtained in Texas has made inquiry as to whether it would be lawful to sell its corporate stock to the holders of package store permits in this state. Since the question is so delicately related to the legislative policy by which common ownership and control of wholesale and retail liquor outlets is forbidden that we hesitate to voice an opinion on the question which may later lead to competitive complaint and possibly legal action against the persons involved. Your opinion is therefore requested as to:

"1. Is a wine bottling corporation prohibited from selling its corporate stock to the holders of package store permits?

"2. Are the holders of package store permits prohibited from purchasing corporate stock of a wine bottler?"

Article 666-17, Vernon's Texas Annotated Penal Code, reads in part as follows:

"(3) It shall be unlawful for any person

Hon. Bert Ford, Page 2

who owns or has an interest in the business of a distiller, brewer, rectifier, wholesaler, winery, or wine bottler, or any agent, servant, or employee;

"(a) to own or have an interest, directly or indirectly, in the business, premises, equipment, or fixtures of any retailer;...."

Under the above statute it is clearly unlawful for any person who owns an interest in the business of a wine bottler to own an interest in the business of a retailer. A sale of the corporate stock of a wine bottling corporation to the holders of a package store permit and the purchase of corporate stock of a wine bottler by the holder of a package store permit are unlawful and against the public policy of this State.

You are respectfully advised that it is the opinion of this department that your questions should be answered in the affirmative and they are so answered.

Very truly yours

ATTORNEY GENERAL OF TEXAS

By

Wm. J. Fanning

Wm. J. Fanning
Assistant

WJF:AW

APPROVED MAR 18, 1940

Gerald B. Mann

ATTORNEY GENERAL OF TEXAS

